369 the surrounding farm-villages and also served
632 as market towns where the peasant might sell his crop and purchase the manufactured goods he could not produce.

• 511 Town life for the average artisan was as meager as for his relatives in the village. Long hours, hard work, low pay, few holidays wer the lot of most, and living conditions were generally poorer and more crowded than those in the villages. Proprietors of many shops required their employees to live on the premises, so that they seldom visited their families. The diet of the town dweller was as poor as that of the poor farmer -- mostly cereals, vegetables, and some condiments, and meat
527 and fruit on holidays only. Brief holidays were allowed at the New Year, the Ch'ing-ming Festival, the mid-Autumn festival, and the Dragon Boat festival. On these occasions, townspeople usually tried to return to their villages; if this was impossible they enjoyed such delicacies as they could afford and strolled the streets, perhaps visiting friends and attending seasonal fairs and theaters.

369 Life in the towns was, then, closely
361 linked with village life. But in the cities and provincial capitals, such as Kunming, Chungking, Chengtu, life in some respects has been greatly altered by the modernization that spread slowly from the

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[511] 668 369 Yet the Rostow study indicates that there has been no real increase in wages for the urban worker.[35] His diet remains poor; his work hours long. But since the Party is anxious to recruit from urban workers, he does have opportunity to rise in life through Party work. Many industrial workers probably do feel some sense of identification with the most rapidly expanding sector of the Chinese economy. This identification and the opportunities offered by the Party are probably slowly changing the goals of the urban worker. He may be less interested than he was once in returning to a plot of land in the country, where economic opportunities are increasingly restricted. He knows, after attending one Party meeting, that the peasantry is no longer the favored class in the Chinese economy.

The elite of the towns and cities are the functionaries of the government and Party. We know little of the pattern of their private lives. But, if the badge of the old Chinese bureaucratic elite was a leisurely and cultivated air, the badge of the new is a daily calendar of meetings, a full briefcase, and an air of purposeful, energetic activity. Their incomes permit their families somewhat easier

35. Ibid., pp. 160-61.

465 Communists statistics,[23] the average annual increase from 1951 to 1953 in the total value of industrial products of the Southwest Region was about 32 per cent. The 1953 average wage of workers in publicly owned enterprises in the region exceeded the 1952 average by only 13 per cent.

465 511 The Chinese Communists boast that the increase of wages in China does not merely keep pace with the rise of living coats as is supposed to happen in a capitalist society, but represents a real elevation of the workers' living standard. In the Southwest Region, people's purchasing power[24] in 1952 was said to be 30 per cent higher than in 1950. The New China News Agency reported that three times the amount of cotton textiles were being supplied to the people of Szechwan Province in 1954, compared with 1951.[25] In Chungking, the consumption of meat in Nov. 1952 was reported to be 160 per cent higher than that in the pre-Communist period.[26]

An examination of the budget of a skilled worker in a Chungking steel factory, reported by the New China Daily on September 25, 1952, offers evidence for doubting the validity of the Communist

23. People's China, Peking, Sept. 1, 1954, p. 18.
24. Ching-chi Tao-pao [Economic Bulletin] Feb. 24, 1953, p. 10.
25. NCNA, Chengtu, Sept. 9, 1954.
26. Economic Bulletin, Sept. 8, 1953, p. 1.

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[redacted]

465 claims:
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Income (Wages and bonuses)	Yuan
	600,000

Expenditure	Yuan
Rice	90,000
Fuel (coal and wood)	68,000
Edible oil	10,800
Fat	8,000
Salt	510
Supplementary food	80,000
Rent	25,890
Total	283,200

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651 The expenditures in the above budget are all for food and rent, which consumes about 47 per cent of the average worker's earnings. Besides clothing and other miscellaneous expenses, the remaining 53 per cent of his gross income is subject to various deductions in the form of union fees, "voluntary" contributions, and purchases of government bonds. When the Communist government issued the 1950 Victory Bond series, the Southwest Region was allocated 700,000 points; people [27] were urged to buy as many points as they could afford. The purchase of even one point was a big deduction from the workers' small income. After the Chinese Communists entered

27. One Victory Bond point was equal to the total value of six catties of rice, one catty of flour, four ch'ih of cotton cloth, sixteen catties of coal. One unit was quoted at 14,005 yuan (old currency) at the beginning of 1950.

the Korean war, the Chinese workers were urged to make "voluntary" contributions to finance the war. Within three months of 1951, workers in the city of Chungking contributed 13,200,000,000 yuan (old currency).[28] 465 571 651

The Communists have reported an increase in bank savings throughout the whole country. By early May 1954, total saving deposits in cities nationwide were stated to be ten times larger in May 1954 than at the end of 1950. By the end of 1953, savings deposits in the Southwest Region had increased by 7.5 times as compared with 1950. But the increased savings do not necessarily indicate surplus spending power in the hands of the people. Beginning in 1952, the Chinese Communists forced each worker to put 25 to 30 per cent of his income in the People's Bank as compulsory savings to prevent possible inflation and to accumulate capital for national construction.[29] After deducting the "voluntary" contributions and compulsory savings, there is not likely to be money for the workers to spend for other than daily living needs. 511 466

VI. LABOR WELFARE

A. Insurance and Health

Under the Labor Insurance Law promulgated by the Communist government in March 1951, 5,380,000 workers throughout China received insurance coverage for death, old age, illness and disability. In the Southwest China Region, there were 161,824 workers, other than railway 745

28. New China Daily, Oct. 25, 1951, p. 2.
29. Tiu-kuo Chou-k'an [China Weekly], Hong Kong, Jan. 4, 1954, p. 41.

5; Davies G-5 (1894-1900) 1909 AF16 Southwest China AF16

of their deliberations had been that the *ch'ai* was to go to Mêng-hua and report there that I had arrived in that district. So he accordingly went his way on to the town after a last ineffectual attempt to persuade me to go there too.

One of the village police from Hsün-chien came with us as far as Tien-chung-kai, where our route left the main road, and from there we had no difficulty in getting a man, also a village policeman, to show us the way across the hills.

The road led up to the top of the range at a low gap (7,500 feet), from here down a narrow valley with steep and in some places wooded hills on either side, and finally up half a mile of stiff ascent to the village of Wu-li-hei. I put up in a very comfortable house owned by one of the principal men of the village, who lets travellers sleep there for a consideration.

The inhabitants of the place are a tribe of Lo-los called by the Chinese Mêng-hua Lo-lo or simply Mêng-hua Jên (i.e. Mêng-hua men). Their houses are built of mud and stone, all packed very closely together, and there is nothing in the appearance of the place to distinguish it from a Chinese village. They have in fact taken very much to Chinese customs and the men dress exactly like Chinamen; they can all speak Chinese, and some of them can also read and write it. The women have retained their tribal costume. Their dress consists of a sleeveless blue coat, and a blue skirt with trousers underneath it, the skirt and trousers reaching only down to the knee. The Mêng-hua Jên still use their own language among themselves, and a vocabulary that I took down in this village will be found in the pocket of the cover. They seem very well off; their houses are large, and they own considerable numbers of mules, ponies, cattle, buffaloes, and goats. This particular branch of the Lo-lo family occupy the greater part of the hills of the Mêng-hua district.

For the next two days our road led us through a mountainous country, the hill-sides sometimes bare and sometimes covered with pine forests, the inhabitants principally Lo-los. At the little village of Lu-chu-t'ang we joined into the main road from Mêng-hua, and early on the 10th we reached Sha-sung-shao, the first village in the Shun-ning district. From here there is a long bit of

S. Davies G-5 (1894-1900) 1909 AF16 Southwest China AF16

the walls is fairly well filled with houses and contains some 600 or 700.

The whole town and district[1] are very poor, a fact to which the broken bridges and unrepaired roads testify. There does not seem to be a single merchant of any importance in the place, and mules and ponies are scarce. In fact there appears to be absolutely no trade in the district except in the necessaries of life, and the whole way from Ta-li to Shun-ning we did not meet a single mule caravan, or even a pedlar on foot.

The city magistrate came to see me in the evening and was very civil. He was a Chiang-hsi man and much more inclined to be obliging than the majority of Chinese officials. I halted a day at Shun-ning and went to call on the mandarins. The magistrate had never heard of Kun-long himself, but he got out his map and sent for men who knew the country, and did his best to help me. It appears there are two roads, one through Chên-k'ang (Möng Cheng), and the other through Yün Chou and Mien-ning T'ing. The former was said to be the shorter, but is hilly and difficult. The Yün Chou route seemed to offer the best prospect of a possible railway line or trade route, so I decided to go by it.

There is only a very small garrison at Shun-ning. It was then commanded by an old white-moustached gentleman of 60, who had, however, only attained the rank of *Shou-pi* or lieutenant. So promotion is sometimes slow in the Chinese army. The military head-quarters of the Shun-ning district is at Mien-ning T'ing where there is a *Hsieh-t'ai* or colonel.

Shun-ning was originally a Shan state, and it is still known to Shans by its original name of Möng Hköng. It has now for a long time been a Chinese district, but the Shan or half Shan origin of the people is plainly visible in their features. So much like Shans did some of them appear to me that I stopped one man on the road and asked him if he was not a Shan, but he did not take it at all as a compliment, and his companions were much amused at the question.

One day at Shun-ning was quite enough, and I was glad to get out of the miserable one-storied inn in which we

[1] [Shun-ning -- Analyst]